



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

November 30, 2008

Kenny Sung, President  
Fuji Food Products, Inc.  
14420 Bloomfield Ave.  
Santa Fe Springs, CA 90670

Dear Mr. Sung:

**RE: Final Monitoring REPORT for Fuji Food Products, Inc. (Fuji Foods) – ET07-0178**

<b>Date of the Visit:</b>	11/07/08
<b>Beginning/Ending Time:</b>	9:00 a.m. – 10:00 a.m.
<b>Date of Last Visit:</b>	06/17/08
<b>Visit Location:</b>	Via Teleconference
<b>Persons in attendance:</b>	Wilma Arellano, Human Resources Manager, Fuji Foods, and Carole Robinson, ETP Contract Analyst.
<b>Action Required:</b>	No

## **CONTRACT INFORMATION:**

<b>Term of Agreement:</b>	12/31/06 – 12/30/08	<b>Agreement Amount:</b>	\$86,400
<b>Training Start Date:</b>	01/25/07	<b>No. to Retain:</b>	60
<b>Date Training must be Completed:</b>	09/29/08	<b>Range of Hours:</b>	24 - 160
<b>Type of Trainee:</b>	Retrainee	<b>Weighted Ave. Hours:</b>	80

## **FINAL REPORT SUMMARY:**

### **• HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on 12/05/06 and training began on 01/25/07. Your staff reported that all training was completed on 09/10/08, which allows for the 90-day retention period to be completed within the term ending date of the Agreement (12/30/08).

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ETP (05/16/07)

There were no Modification or Amendment requests imitated by Fuji Foods during the term of this Agreement.

- **INTERVIEW WITH COMPANY REPRESENTATIVE**

Ms. Arellano reported that initially, she experienced some difficulty getting company employees to attend scheduled Class/lab training sessions. However, after the company moved to its new location in February 2008, Fuji Foods made training attendance a priority and the previous attendance problems were alleviated. Ms. Arellano stated that she took over as the ETP designated company contact and became responsible for administration of the Agreement after training was initiated in 2007. As a result, she experienced a learning curve with enrollment and tracking of Class/lab training that proved problematic in conjunction with other human resources job duties. Ms. Robinson provided extensive training sessions during Monitoring Visits and company executive staff became aware of the importance of administering the ETP funded training project, the actual administration activities became very easy for Ms. Arellano to accomplish.

Ms. Arellano stated that Class/lab training has resulted in several positive changes within Fuji Foods. Employees are able to manage their time more efficiently and better understand the company's production processes. Internal and external customer service improved following communication skills training that helped employees write more professional e-mails and understand how others verbally express themselves. Internal reporting of accounts payable/receivable is timelier and inventory control has also improved. Training in the use of Fuji Foods electronic data processes, including invoicing of customers, has benefited employees to help the company improve its overall efficiency.

Ms. Arellano informed Ms. Robinson that Fuji Foods will be pursuing another ETP Agreement in the near future to finish training and introduce additional training topics proposed by the company's newly hired VP of Operations. The proposed training plan will concentrate on lean manufacturing processes to further reduce waste and food spoilage currently experienced by Fuji Foods. Team building will also be introduced to help company employees support new lean manufacturing processes.

**PROJECT STATUS PROVIDED BY THE CONTRACTOR:**

Job Number	Number Started Training	Number Enrolled in Training	Number of Trainees Dropped (following enrollment)	Number of Trainees Completed Minimum Hours	Number of Trainees Completed all Training (in retention)	Number of Trainees Completed Retention
1	57	57	20	37	17	20

- According to contractor records as of the date of this report, Fuji Foods will retain 37 retrainees (62%) of the planned retentions. The aforementioned retrainees have completed a total of 3,901 hours of Class/lab training. Based on ETP records, the company will be eligible for a total reimbursement of approximately \$70,218 (81% of the

ETP encumbered funds) if all other conditions of ETP eligibility are met. Current records show that Fuji Foods received \$7,560 in unearned Progress Payments and \$432 in earned Final Payment for Invoice numbers 1, 2, and 3.

- Fuji Foods must drop any remaining retrainees who are enrolled but did not complete at least the minimum number of training hours (24) during closeout of the Agreement.
- Ms. Robinson informed Ms. Arellano that Fuji Foods must submit a closeout invoice for this agreement no later than 01/29/09.

### **ATTENDANCE ROSTERS:**

Because Fuji Foods had difficulty in the past with attendance rosters and documentation of training hours, Ms. Robinson review faxed class/lab attendance rosters for seven randomly selected retrainees enrolled in Job 1. She compared the rosters to the Agreement's Curriculum and checked to ensure that each roster contained the necessary information required by ETP, under Title 22, California Code of Regulations, 4442. She also compared the information on each roster with the hours entered in Fuji Foods' ETP On-line tracking records and Invoices numbers 1, 2, and 3 for Enrollment (Progress Payment 1), Completion (Progress Payment 2), and Completion (Final).

Ms. Robinson found that the all Class/lab records reviewed for the seven retrainees contained the necessary information required by ETP and the Class topics matched those contained in the Agreement's Curriculum. The review of the above sample also verified that the hours reported on Fuji Foods' tracking records matched those contained within the applicable Class/lab Rosters and numbers 1, 2, and 3 for Enrollment (Progress Payment 1), Completion (Progress Payment 2), and Completion (Final).

### **SUBAGREEMENTS:**

During previous visits, Ms. Arellano provided a copy of an invoice for training provided by one vendor located in California. All required information regarding this subcontractor has been entered into the 100D in ETP's Online System.

### **AUDIT:**

Fuji Foods will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment

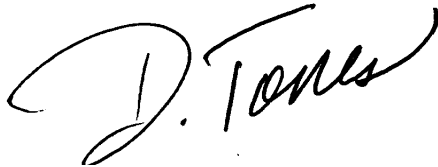
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

**RECORD RETENTION:**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information contained in this letter, please contact Carole Robinson at [CRobinson@ETP.ca.gov](mailto:CRobinson@ETP.ca.gov) or (619) 686-4971, within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager  
San Diego Field Office



Carole Robinson, Contract Analyst  
San Diego Field Office

cc: Kulbir Mayall, ETP Fiscal Manager  
Master File  
SD Project File

Date report e-mailed to Contractor: 12/02/08